



State Contractors License

#556812



Contractor License #556812

June 4, 2008

KZ DevCo, LLC
19752 MacArthur Blvd – Suite 250
Irvine, CA 92612

Attn: Tom Wilhelm

Dear Tom,

This letter will serve as a bid proposal to relocate on site as follows:

- 3 - 9' Boxes Pinus canariensis (Canary Island Pine)
- 2 - 8' Boxes Pinus canariensis (Canary Island Pine)
- 2 - 7' Boxes Pinus canariensis (Canary Island Pine)

Total price to complete said shall be \$44,360.00.

Great Scott Tree Service Inc; will supply all labor, equipment and materials to complete this job.

No import or export of soil.

No compaction of holes at digging site.

Water to be within one hundred feet of work area and to be supplied and paid for by others.

Portable toilets to be on site and supplied by others.

Trees will be pruned to industry standards to help in their survival.

Trees shall be warranted for a period of four years as long as the maintenance is being done by Great Scott Tree Service. The following is the break down of the cost of maintenance.

First year \$860.00 per month

Second year \$425.00 per month

Third and fourth year \$225.00 per month

The reason the monthly fee goes down each year is the time needed for maintenance, as the trees root into the surrounding soil the trees are more able to sustain themselves. After the second year the only maintenance that would be needed would be a monthly inspection and soil test to check moisture content.

Pg 2 of 2 kzdevco

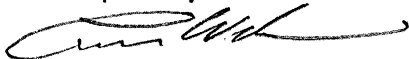
Great Scott Tree Service Inc. cannot warranty trees due to vehicle damage, construction damage or an act of God.

If you have any questions please do not hesitate to call.

Respectfully,

Darrell W. Simpson
Nursery, Planting and Relocation Manager
Great Scott Tree Service Inc.
10761 Court St.
Stanton, CA 90680
714-826-1750
714-826-1753 fax
714-743-6042 cell

Accepted by:



Tom Wilhelm
Director Development
KZ Holdings, LLC



State Contractors License
#556832



ISA Certified Arborist #WC-6901

June 5, 2008

KZ DevCO, LLC
19752 Mac Arthur Blvd – Suite 250
Irvine, CA 92612

Attn: Tom Wilhelm

Dear Tom,

To help in the successful relocation of the Pines at the CVS site on Goldenwest and McFadden in Huntington Beach, I would like to suggest that the trees be side boxed 90 days prior to putting the bottoms on and moving to new location.

We will lightly prune the trees, but no tip cutting. This will help the trees alleviate as much shock and keep the wind from blowing it out of the box. We have found that the tips of trees help stimulate new root growth so they will not be cut. The trees will also be guyed so there will be no leaning or falling over for a period of one year. The wires will have pvc pipe around them so they are visible and no one will get hurt by the wires.

Three of the trees will be placed into 9' boxes, two in 8' boxes and two in 7' boxes. The best time to dig these trees would be late July through first part of October or first of January through March. The trees at these times slow their growing pattern.

The trees will be trenched with a ride on trencher. This cuts the roots cleanly, a backhoe will be used to dig out the soil on all four sides so the root ball can be shaped to the size of the box. Once the sides are in place strapping or banding will be put around the box sides to hold them in place.

Soil will be placed in any areas on the inside of the box to fill any cavities that may be formed when putting the sides on. A water basin will be put on the top of the root ball and filled with water to perk into the root ball.

When it is the appropriate time, either immediately or at 90 days the holes will be dug deeper so the bottoms can be placed. This entails digging under the box and placing a 2"x12" board under the box and placing two 12"x12" block under the 2"x12" to hold it in place. This process is continued till the bottom is covered with 2"x12"'s and the tree is sitting on blocks. Two 2"x12" boards are put under the bottom with strapping attached on two sides and cinched over the top to hold the bottom in place. This allows the crane to pick the trees and the tree does not fall out the bottom. When the crane is lifting the trees 2 nylon slings are placed under the box so the box is cradled by the nylon slings. Two steel cables are attached to the hook on the crane and attached to the nylon slings. A short

nylon is wrapped around the trunk with carpet between the nylon and the trunk and placed on the cable of the crane, this keeps the top heavy trees from falling over.

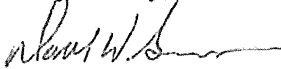
Once the tree is placed into the hole of it's new home the hole is filled about half way and one side is removed and that side is filled in with soil. This is repeated till all four sides are removed. The bottom is left in place and will decompose within a few years. Because of the depth of the box the bottom left in place will not be an issue.

The basin for holding water will be reconstructed within the root ball perimeter. Some people make the mistake of putting the outside of the basin beyond the root ball and the water runs down the side of the root ball. Then the root ball becomes dry and the tree dies.

GSTS Inc. takes the utmost care in boxing trees and are very conscience of safety issues for our employees and the general public. Areas will always be clean and free of debris.

If you have any questions please do not hesitate to call.

Respectfully,



Darrell W. Simpson
Nursery, Planting and Relocation Manager
Great Scott Tree Service Inc.
10761 Court St.
Stanton, CA 90680
714-826-1750
714-826-1753 fax
714-743-6042 cell

ACCEPTED BY:



Tom Wilhelm
Director Development
KZ HOLDINGS, LLC